Requests of State Governments for availing of this facility with clear monitorable indication for the above programme would be then discussed by GOI with the World Bank and the State concerned. Appraisal and negotiation stages would follow, depending on the States' commitments to the FRF facilities.

Once the loan is put through and is under implementation, where the adjustment programme of the State has fallen behind by six months or is likely to be pursued further, the adjustment programme could be called off and the remaining undisbursed assistance cancelled.

World Bank assistance to A.P.

687. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have received any proposal from the Government of Andhra Pradesh for World Bank's assistance for its Structural Adjustment Scheme;

(b) if so, the details thereof;

(c) whether the proposal had been recommended for consideration of the World Bank;

(d) if so, the response of the World Bank; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes Sir. Govt. of Andhra Pradesh has requested Government of India to take loan from the World Bank for its Structural Adjustment Programme.

(c) to (e) Andhra Pradesh's proposal has been posed to the World Bank. The programme is under preparation. First Mission from the World Bank is visiting Andhra Pradesh from 24th February to 7th March, 2003 for holding preliminary discussions with the State Government.

Loans for unemployed graduates in H.P.

688. SHRI ANIL SHARMA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are aware of the problems faced by the unemployed graduates in getting loans from the banks in Himachal Pradesh;

(b) if so, whether Government propose to relax such rules for the unemployed from backward, snow-bound areas and other weaker sections in the State as special case; and

(c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India (RBI) has reported that no instance of any specific problems faced by the unemployed graduates in getting loans from the banks in Himachal Pradesh has come to their notice.

(b) and (c) Government of India have launched a subsidy linked scheme on 2.10.1993 viz. the Prime Minister RozgarYojana (PMRY) for creating self-employment opportunities for the educated unemployed youth including graduates, by setting up micro enterprices in business, industry and service sector. The objective of the scheme is to provide self-employment opportunities to educated unemployed youth. In order to mitigate the problems being faced by the borrowers and also to expand the coverage and scope of the scheme some amendments have been made with effect from 22.1.1999. The major amendments are:

(i) **Age**: The maximum age limit raised from 35 to 45 years for SC/ST, Ex-servicemen/physically handicapped and women candidates.

(ii) **Educational Qualifications**: Relaxed from Matric/ITI to class VIII passed.

(iii) **Activities Covered**: The range of activities covered has been expanded to include agriculture and allied activities but excluding direct agricultural operations like raising crop, purchase of manure etc.

(iv) **Family Income:** The eligibility limit has been increased from Rs. 24,000/- to Rs. 40,000/- per annum.

These parameters/guidelines for PMRY have been further relaxed in case of North-Eastern States.

(i) **Age Limit:** Raised from 35 years to 40 years for general candidates plus 10 years for SC/ST and women candidates.

(ii) **Subsidy:** @ 15% Maximum subsidy increased from Rs. 7,500/- to Rs. 15000/-

(iii) **Margin Money:** From 5% to 12.5% of the project cost (against fixed 5% earlier) so as to make the subsidy and margin contribution at 20% of the project cost.

(iv) **Swarnjayanti Gram SwarozgarYojana** (SGSY) scheme is a major poverty linked credit programme for the needs of the Below Poverty Line (BPL) borrower and aims at establishing a large number of micro enterprises in the rural areas of the country. The objective of the SGSY is to bring the assisted poor families (Swarozgaries) above the poverty line by ensuring sustained level of income over a period of time. This objective is to be achieved by *inter-alia*, organizing rural poor into Self-Help Groups (SHGs) through the process of social mobilization, training, capacity building and provision of income generating assets.

(v) **Eligibility:** Rural poor such as the landless labour, small and marginal farmers, those with marginal land, rural artisans and educated unemployed enlisted in the BPL list up to an age limit of 60 years.

(vi) **Reservation:** 50% for SC/ST, 40% for women and 3% for handicapped. 50% of Self-Help Groups (SHGs). Under the scheme, generally a Self-Help Group consists of 10-20 persons. However, a relaxation in these criteria has been allowed by RBI that in difficult areas like deserts, hills and areas with scattered and sparse population, the number of persons in the group may vary from 5-20. Generally all members of the group should belong to families below the poverty line (BPL). Further, ralaxation provided that, if necessary, a maximum of 20% and in exceptional cases, where essentially required, upto a maximum of 30% of the members in a group may be taken from families marginally above the poverty line living contiguously with BPL families and if they are acceptable to the BPL members of the group.